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SENATE BILL 1160

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

John T. L. Grubestic

AN ACT

RELATING TO METROPOLITAN REDEVELOPMENT; AMENDING AND REPEALING
SECTIONS OF THE METROPOLITAN REDEVELOPMENT CODE; CLARIFYING
"SLUM OR BLIGHTED AREA"; AUGMENTING NOTICE; LIMITING THE
EXERCISE OF THE POWER OF EMINENT DOMAIN; REPEALING THE URBAN
DEVELOPMENT LAW AND THE COMMUNITY DEVELOPMENT LAW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 3-60A-1 NMSA 1978 (being Laws 1979,
Chapter 391, Section 1) is amended to read:

"3-60A-1. SHORT TITLE.--~~[This act]~~ Chapter 3, Article 60A
NMSA 1978 may be cited as the "Metropolitan Redevelopment
Code".

Section 2. Section 3-60A-4 NMSA 1978 (being Laws 1979,
Chapter 391, Section 4, as amended) is amended to read:

"3-60A-4. DEFINITIONS.--As used in the Metropolitan
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1 Redevelopment Code:

2 A. "public body" means a municipality, board,
3 commission, authority, district or ~~[any]~~ other political
4 subdivision or public body of the state;

5 B. "local governing body" means the city council,
6 ~~[or] city commission [of a city, the]~~ or board of trustees of a
7 ~~[town or village]~~ municipality; the council of an incorporated
8 county; or the board of county commissioners of an H class
9 county;

10 C. "mayor" means the mayor or the ~~[chairman]~~ chair
11 of the ~~[city commission]~~ local governing body or other officer
12 or body having the duties customarily imposed on the head of a
13 municipality;

14 D. "municipality" means ~~[any]~~ an incorporated city,
15 town or village, whether incorporated under general act,
16 special act or special charter, an incorporated county or an H
17 class county;

18 E. "clerk" means the clerk or other official of
19 ~~[the]~~ a municipality who is the chief custodian of the official
20 records of the municipality;

21 F. "federal government" includes the United States
22 of America or ~~[any]~~ an agency or instrumentality, corporate or
23 otherwise, of the United States;

24 G. "state" means the state of New Mexico;

25 H. "slum ~~[area]~~" ~~means an area within the area of~~

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1 ~~operation in which numerous buildings, improvements and~~
2 ~~structures whether residential or nonresidential, which, by~~
3 ~~reason of its dilapidation, deterioration, age, obsolescence or~~
4 ~~inadequate provision for ventilation, light, air, sanitation or~~
5 ~~open spaces, high density of population, overcrowding or the~~
6 ~~existence of conditions that endanger life or property by fire~~
7 ~~or other causes, is conducive to ill health, transmission of~~
8 ~~disease, infant mortality, juvenile delinquency or crime and is~~
9 ~~detrimental to the public health, safety, morals or welfare;~~

10 I. ~~"blighted area" means an area within the area of~~
11 ~~operation other than a slum area that because of the presence~~
12 ~~of a substantial number of deteriorated or deteriorating~~
13 ~~structures, predominance of defective or inadequate street~~
14 ~~layout, faulty lot layout in relation to size, adequacy,~~
15 ~~accessibility or usefulness, insanitary or unsafe conditions,~~
16 ~~deterioration of site or other improvements, diversity of~~
17 ~~ownership, tax or special assessment delinquency exceeding the~~
18 ~~fair value of the land, defective or unusual conditions of~~
19 ~~title, improper subdivision or lack of adequate housing~~
20 ~~facilities in the area or obsolete or impractical planning and~~
21 ~~platting or an area where a significant number of commercial or~~
22 ~~mercantile businesses have closed or significantly reduced~~
23 ~~their operations due to the economic losses or loss of profit~~
24 ~~due to operating in the area, low levels of commercial or~~
25 ~~industrial activity or redevelopment or any combination of such~~

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1 ~~factors substantially impairs or arrests the sound growth and~~
2 ~~economic health and well-being of a municipality or locale~~
3 ~~within a municipality or an area that retards the provisions of~~
4 ~~housing accommodations or constitutes an economic or social~~
5 ~~burden and is a menace to the public health, safety, morals or~~
6 ~~welfare in its present condition and use] or blighted area"~~
7 means an area within the area of operation that is at least
8 seventy-five percent of the area of operation that
9 substantially impairs or arrests the sound growth and economic
10 health and well-being of a municipality and, as currently used
11 in its present condition, is a menace to public health, safety,
12 morals and welfare because of the existence of three or more of
13 the following conditions:

14 (1) the area is conducive to ill health;

15 (2) the area facilitates the transmission of
16 disease;

17 (3) the area contributes to infant mortality;

18 (4) the area promotes juvenile delinquency or
19 crime;

20 (5) a substantial number of residential or
21 nonresidential buildings, improvements and structures are
22 dilapidated, deteriorated, aged or obsolete or have inadequate
23 provisions for ventilation, light, air or sanitation;

24 (6) a predominance of defective or inadequate
25 street layout;

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1 (7) faulty lot layout in relation to size,
2 adequacy, accessibility or usefulness;

3 (8) obsolete, impractical or improper
4 subdivision;

5 (9) insanitary or unsafe conditions;

6 (10) deterioration of site or other
7 improvements;

8 (11) overcrowding; or

9 (12) conditions that endanger life or property
10 by fire or other causes;

11 ~~[J.]~~ I. "metropolitan redevelopment project" or
12 "project" means an activity, undertaking or series of
13 activities or undertakings designed to eliminate ~~[slums]~~ slum
14 or blighted areas in areas designated as metropolitan
15 redevelopment areas and ~~[that]~~ the activity or undertaking
16 conforms to an approved plan for the area for slum or blighted
17 area clearance and redevelopment and rehabilitation; ~~[and~~
18 conservation

19 ~~K.]~~ J. "slum or blighted area clearance and
20 redevelopment" means the use of those powers authorized by the
21 Metropolitan Redevelopment Code ~~[for the purpose of~~
22 ~~eliminating]~~ to eliminate slum or blighted areas and
23 ~~[undertaking]~~ undertake activities authorized by the
24 Metropolitan Redevelopment Code to rejuvenate or revitalize
25 those areas so that the conditions that caused those areas to

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1 be designated slum or blighted areas are eliminated;

2 [L.] K. "rehabilitation" [~~or "conservation"~~] means
3 the restoration and renewal of a slum or blighted area or
4 portion thereof in accordance with [~~any~~] an approved plan by
5 use of powers granted by the Metropolitan Redevelopment Code;

6 [M.] L. "metropolitan redevelopment area" means a
7 slum [~~area~~] or [~~a~~] blighted area [~~or a combination thereof~~]
8 that the local governing body so finds and declares and
9 designates as appropriate for a metropolitan redevelopment
10 project;

11 [N.] M. "metropolitan redevelopment plan" means a
12 plan, as it exists from time to time, for one or more
13 metropolitan redevelopment areas or for a metropolitan
14 redevelopment project, which plan shall:

15 (1) seek to eliminate the problems created by
16 a slum [~~area~~] or blighted area;

17 (2) conform to the general plan for the
18 municipality as a whole; and

19 (3) be sufficient to indicate the proposed
20 activities to be carried out in the area, including [~~but not~~
21 ~~limited to~~] any proposals for land acquisition; proposals for
22 demolition and removal of structures; redevelopment; proposals
23 for improvements and rehabilitation [~~and conservation~~]; zoning
24 and planning changes; land uses, maximum densities, building
25 restrictions and requirements; and the plan's relationship to

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1 definite local objectives respecting land uses, improved
2 traffic patterns and controls, public transportation, public
3 utilities, recreational and community facilities, housing
4 facilities, commercial activities or enterprises, industrial or
5 manufacturing use and other public improvements;

6 [Ø-] N. "real property" includes all lands,
7 including improvements and fixtures thereon, and property of
8 any nature appurtenant thereto or used in connection therewith
9 and every estate, interest, right and use, legal or equitable,
10 therein, including terms for years and liens by way of
11 judgment, mortgage or otherwise;

12 [P-] O. "bonds" means any bonds, including
13 refunding bonds, notes, interim certificates, certification of
14 indebtedness, debentures, metropolitan redevelopment bonds or
15 other securities evidencing an obligation and issued under the
16 provisions of the Metropolitan Redevelopment Code or other
17 obligations;

18 [Q-] P. "obligee" includes [~~any~~] a bondholder,
19 agent or trustee for [~~any~~] a bondholder or lessor demising to
20 the municipality property used in connection with a
21 metropolitan redevelopment project or any assignee or assignees
22 of such lessor's interest or any part thereof;

23 [R-] Q. "person" means [~~any~~] an individual, firm,
24 partnership, corporation, company, association, joint stock
25 association or body politic or the state or any political

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1 subdivision thereof and shall further include any trustee,
2 receiver, assignee or other person acting in a similar
3 representative capacity;

4 ~~[S.]~~ R. "area of operation" means the area within
5 the corporate limits of the municipality and the area outside
6 of the corporate limits but within five miles of such limits or
7 otherwise on municipally owned property wherever located,
8 except that it shall not include ~~[any]~~ an area that lies within
9 the territorial boundaries of another municipality unless an
10 ordinance has been adopted by the governing body of the other
11 municipality declaring a need therefor;

12 ~~[F.]~~ S. "board" or "commission" means a board,
13 commission, department, division, office, body or other unit of
14 the municipality designated by the local governing body to
15 perform functions authorized by the Metropolitan Redevelopment
16 Code as directed by the local governing body; and

17 ~~[U.]~~ T. "public officer" means any person who is in
18 charge of any department or branch of government of the
19 municipality."

20 Section 3. Section 3-60A-7 NMSA 1978 (being Laws 1979,
21 Chapter 391, Section 7) is amended to read:

22 "3-60A-7. FINDING OF NECESSITY BY LOCAL GOVERNMENT.--No
23 municipality shall exercise any of the powers conferred upon
24 municipalities by the Redevelopment Law until after its local
25 governing body ~~[shall have]~~ has adopted a resolution finding

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1 that:

2 A. one or more slum [~~areas~~] or blighted areas exist
3 in the municipality; and

4 B. the rehabilitation, [~~conservation~~] slum or
5 blighted area clearance and redevelopment or development, or a
6 combination thereof, [~~of and in such area or~~] in those areas is
7 necessary in the interest of the public health, safety, morals
8 or welfare of the residents of the municipality."

9 Section 4. Section 3-60A-8 NMSA 1978 (being Laws 1979,
10 Chapter 391, Section 8) is amended to read:

11 "3-60A-8. DESIGNATION OF A METROPOLITAN REDEVELOPMENT
12 AREA.--

13 A. A municipality shall not prepare a metropolitan
14 redevelopment plan for an area unless the local governing body
15 has, by a resolution adopted by a two-thirds' vote of all
16 members of the local governing body in an open meeting,
17 determined the area to be a slum [~~area~~] or [~~a~~] blighted area
18 [~~or a combination thereof and designated~~] and indicated an
19 intent to designate the area as appropriate for a metropolitan
20 redevelopment project. [~~which resolution may be adopted only~~
21 ~~after the governing body shall have caused to be published in a~~
22 ~~newspaper of general circulation within the area of operation~~
23 ~~of the municipality a notice which shall contain a general~~
24 ~~description of the area and the date, time and place where the~~
25 ~~governing body shall hold a public hearing to consider the~~

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1 ~~resolution and a notice that any interested party may appear~~
2 ~~and speak to the issue of the adoption of the resolution.~~

3 ~~B. Such notice shall be published at least twice,~~
4 ~~and the last publication shall be not less than twenty days~~
5 ~~before the hearing. The owner of any real property affected by~~
6 ~~the resolution shall have the right to file in the district~~
7 ~~court of the county within which the municipality is located,~~
8 ~~within twenty days after the adoption of the resolution, an~~
9 ~~action to set aside the determination made by the governing~~
10 ~~body of the municipality.~~

11 ~~C. A municipality shall not acquire real property~~
12 ~~for a metropolitan redevelopment project unless the local~~
13 ~~governing body has approved a metropolitan redevelopment plan~~
14 ~~relating to the metropolitan redevelopment area in which the~~
15 ~~real property is located.] Upon adoption of a resolution~~
16 ~~indicating an intent to form a metropolitan redevelopment area,~~
17 ~~a local governing body shall set a date no sooner than thirty~~
18 ~~days and no later than sixty days after the adoption of the~~
19 ~~resolution for a public hearing regarding formation of the~~
20 ~~area.~~

21 ~~B. The clerk of the local governing body shall~~
22 ~~provide notice of the resolution and hearing described in~~
23 ~~Subsection A of this section by:~~

24 ~~(1) publishing a summary of the resolution and~~
25 ~~information about the hearing once each week for two~~

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1 consecutive weeks in a newspaper of general circulation in the
2 municipality or county in which the proposed area is located
3 with the last publication date no less than seven days prior to
4 the hearing. The clerk shall obtain an affidavit of
5 publication from the newspaper for each publication date that
6 shall be placed in the official records of the local governing
7 body and shall be conclusive evidence of the publication of
8 notice;

9 (2) posting a summary of the resolution and
10 information about the hearing in a prominent and conspicuous
11 location on property located within the proposed metropolitan
12 redevelopment area for fourteen days prior to the hearing; and

13 (3) providing a written summary of the
14 resolution and information about the hearing by United States
15 postal service certified or registered mail, postage prepaid,
16 to all owners of real property within the proposed metropolitan
17 redevelopment area and to all other persons claiming an
18 interest in property within the proposed area who have filed a
19 written request for a copy of this kind of notice within the
20 six months preceding the adoption of the resolution no later
21 than ten days prior to the hearing. The notice described in
22 this paragraph shall also be promptly mailed to a person
23 requesting it at any time after adoption of the resolution. A
24 clerk who is informed of a transfer of ownership of real
25 property within a proposed metropolitan redevelopment area and

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1 who obtains the name and address of the transferee shall mail a
2 copy of the resolution summary and information about the
3 hearing to the transferee as soon as practicable after
4 receiving the transferee's name and address. Notice shall not
5 be held invalid for failure of delivery to an addressee.

6 C. The notice required by this section shall
7 include:

- 8 (1) the date, time and place of the hearing;
9 (2) information regarding alternative methods
10 for submission of objections or comments;
11 (3) a statement that the formation of a
12 metropolitan redevelopment area is proposed; and
13 (4) a map showing the boundaries of the
14 proposed metropolitan redevelopment area."

15 Section 5. Section 3-60A-9 NMSA 1978 (being Laws 1979,
16 Chapter 391, Section 9) is amended to read:

17 "3-60A-9. PREPARATION OF A METROPOLITAN REDEVELOPMENT
18 PLAN.--

19 A. When a municipality has complied with the
20 provisions of the Redevelopment Law concerning public hearing
21 and designation of an area as a metropolitan redevelopment
22 area, it may prepare or cause to be prepared a metropolitan
23 redevelopment plan; however, prior to final consideration of
24 the plan by the local governing body, the plan shall be the
25 subject of at least one public hearing held by the mayor or

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1 [his] the mayor's designee or the municipal planning
2 commission, at which time comments from the public as a whole
3 can be gathered and considered by the municipality in its
4 preparation of the final plan. The local governing body may
5 hold a public hearing for purposes of approval of the proposed
6 plan, as provided in Subsection B of this section, only after
7 the hearing required by this subsection.

8 ~~[B. The local governing body shall hold a public~~
9 ~~hearing on a metropolitan redevelopment plan or substantial~~
10 ~~modification of an approved plan after public notice thereof by~~
11 ~~publication in a newspaper having a general circulation in the~~
12 ~~area of operation of the municipality. The notice shall~~
13 ~~describe the time, date, place and purpose of the hearing,~~
14 ~~shall generally identify the area covered by the plan and shall~~
15 ~~outline the general scope of the metropolitan redevelopment~~
16 ~~project under consideration. Prior to the public hearing on~~
17 ~~this matter, notice of the public hearing shall be mailed by~~
18 ~~first class mail to the owners of real property in the~~
19 ~~metropolitan redevelopment area. The mailing shall be to the~~
20 ~~owner's address as shown on the records of the county~~
21 ~~treasurer. If the notice by first class mail to the owner is~~
22 ~~returned undelivered, the municipality shall attempt to~~
23 ~~discover the owner's most recent address and shall remail the~~
24 ~~notice by certified mail, return receipt requested, to the~~
25 ~~address.]~~

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1 B. The clerk of the local governing body shall
2 provide notice of the metropolitan redevelopment plan and
3 hearing described in Subsection A of this section by:

4 (1) publishing a summary of the plan and
5 information about the hearing once each week for two
6 consecutive weeks in a newspaper of general circulation in the
7 municipality or county affected by the plan with the last
8 publication date no less than seven days prior to the hearing.
9 The clerk shall obtain an affidavit of publication from the
10 newspaper for each publication date that shall be placed in the
11 official records of the local governing body and shall be
12 conclusive evidence of the publication of notice;

13 (2) posting a summary of the plan and
14 information about the hearing in a prominent and conspicuous
15 location on property located within the area affected by the
16 plan for fourteen days prior to the hearing; and

17 (3) providing a written summary of the plan
18 and information about the hearing by United States postal
19 service certified or registered mail, postage prepaid, to all
20 owners of real property within the metropolitan redevelopment
21 area affected by the plan and to all other persons claiming an
22 interest in property within the area who have filed a written
23 request for a copy of this kind of notice within the six months
24 preceding the formation of the metropolitan redevelopment area,
25 no later than ten days prior to the hearing. The notice

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1 described in this paragraph shall also be promptly mailed to a
2 person requesting it at any time after adoption of the
3 resolution. A clerk who is informed of a transfer of ownership
4 of real property within a metropolitan redevelopment area and
5 who obtains the name and address of the transferee shall mail a
6 copy of the plan summary and information about the hearing to
7 the transferee as soon as practicable after receiving the
8 transferee's name and address. Notice shall not be held
9 invalid for failure of delivery to an addressee.

10 C. The notice required by this section shall
11 include:

12 (1) the date, time and place of the hearing;
13 (2) information regarding alternative methods
14 for submission of objections or comments;

15 (3) a statement that a metropolitan
16 redevelopment plan is on file with the clerk of the local
17 governing body and may be reviewed upon request; and

18 (4) a map showing the boundaries of the
19 metropolitan redevelopment area.

20 ~~[C.]~~ D. Following the public hearing, the local
21 governing body may approve a metropolitan redevelopment plan if
22 it finds that:

23 (1) the proposed activities will aid in the
24 elimination or prevention of ~~[slum or blight]~~ a slum or
25 blighted area or the conditions ~~[which]~~ that lead to the

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1 development of [~~slum or blight~~] a slum or blighted area;

2 (2) a feasible method is included in the plan
3 to provide individuals and families who occupy residential
4 dwellings in the metropolitan redevelopment area and who may be
5 displaced by the proposed activities with decent, safe and
6 sanitary dwelling accommodations within their means and without
7 undue hardship to such individuals and families;

8 (3) the plan conforms to the general plan for
9 the municipality as a whole; and

10 (4) the plan affords [~~maximum~~] an opportunity
11 consistent with the needs of the community for the
12 rehabilitation or redevelopment of the area by private
13 enterprise or persons and the objectives of the plan justify
14 the proposed activities as public purposes and needs.

15 E. A municipality shall not acquire real property
16 for a metropolitan redevelopment project unless the local
17 governing body has approved a metropolitan redevelopment plan
18 relating to the metropolitan redevelopment area in which the
19 real property is located.

20 [~~D.~~] F. A metropolitan redevelopment plan may be
21 modified at any time; however, if the plan is modified after
22 the lease or sale by the municipality of real property in the
23 project area, the modification shall be subject to any rights
24 at law or in equity a lessee or purchaser or [~~his~~] the lessee's
25 or purchaser's successors in interest may be entitled to

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1 assert. Any proposed modification [~~which~~] that will
2 substantially change the plan as previously approved by the
3 local governing body shall be subject to the requirements of
4 this section, including the requirement of a public hearing,
5 before it may be approved."

6 Section 6. Section 3-60A-10 NMSA 1978 (being Laws 1979,
7 Chapter 391, Section 10) is amended to read:

8 "3-60A-10. POWERS OF MUNICIPALITY.--Every municipality
9 shall have all the powers necessary or convenient to carry out
10 and effectuate the purposes and provisions of the Metropolitan
11 Redevelopment Code, including but not necessarily limited to
12 the following powers:

13 A. to undertake and carry out metropolitan
14 redevelopment projects within its area of operation, including
15 clearance and redevelopment, rehabilitation [~~conservation~~] and
16 development activities and programs; to make, enter into and
17 execute contracts and other agreements and instruments
18 necessary or convenient to the exercise of its powers under the
19 Redevelopment Law; and to disseminate information regarding
20 [~~slum clearance, prevention of blight~~] the clearance or
21 prevention of slum or blighted areas and the metropolitan
22 redevelopment projects and areas;

23 B. to provide, arrange or contract for the furnishing
24 or repair by any public or private person or agency for
25 services, privileges, works, streets, roads, public utilities,

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1 public buildings or other facilities for or in connection with
2 a metropolitan redevelopment project; to, within its area of
3 operation, install, acquire, construct, reconstruct, remodel,
4 rehabilitate, maintain and operate streets, utilities, parks,
5 buildings, playgrounds and public buildings, including but not
6 limited to parking facilities, transportation centers, public
7 safety buildings and other public improvements or facilities or
8 improvements for public purposes, as may be required by the
9 municipality, the state or a political subdivision of the
10 state; to agree to any conditions that it may deem reasonable
11 and appropriate [~~which~~] that are attached to federal financial
12 assistance and imposed pursuant to federal law, including
13 conditions relating to the determination of prevailing salaries
14 or wages or compliance with federal and state labor standards,
15 compliance with federal property acquisition policy and the
16 provision of relocation assistance in accordance with federal
17 law in the undertaking or carrying out of a metropolitan
18 redevelopment project; and to include in any contract let in
19 connection with the project provisions to fulfill any of these
20 conditions as it may deem reasonable and appropriate.

21 Provided, however, that all purchases of personal property
22 shall be in accordance with the [~~Public Purchases Act~~]
23 Procurement Code;

24 C. within its area of operation, to inspect any
25 building or property in any metropolitan redevelopment area in

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1 order to make surveys, appraisals, soundings or test borings
2 and to obtain an order for this purpose from a court of
3 competent jurisdiction in the event inspection is denied by the
4 property owner or occupant to acquire, by purchase, lease,
5 option, gift, grant, bequest, devise, eminent domain or
6 otherwise, any real property or personal property for its
7 administrative or project purposes, together with any
8 improvements thereon; to hold, improve, clear or prepare for
9 redevelopment any such property; to mortgage, pledge,
10 hypothecate or otherwise encumber or dispose of any real
11 property; to insure or provide for the insurance of any real or
12 personal property or operations of the municipality against any
13 risks or hazards, including the power to pay premiums on any
14 such insurance; and to enter into any contracts necessary to
15 effectuate the purposes of the Metropolitan Redevelopment Code;

16 D. to invest any metropolitan redevelopment project
17 funds held in reserve, sinking funds or other project funds
18 [~~which~~] that are not required for immediate disbursement in
19 property or securities in which municipalities may legally
20 invest funds subject to their control; to redeem bonds as have
21 been issued pursuant to the Metropolitan Redevelopment Code at
22 the redemption price established [~~therein~~] in the bonds or to
23 purchase the bonds at less than redemption price. All bonds so
24 redeemed or purchased shall be canceled;

25 E. to borrow or lend money subject to those

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1 procedures and limitations as may be provided in the
2 constitution of New Mexico or the Municipal Code and to apply
3 for and accept advances, loans, grants, contributions and any
4 other form of financial assistance from the federal government,
5 the state, the county or other public body or from any sources,
6 public or private, for the purposes of the Metropolitan
7 Redevelopment Code; and to give security as may be required and
8 subject to the provisions and limitations of general law except
9 as may otherwise be provided by the Redevelopment Law and to
10 enter into and carry out contracts in connection therewith. A
11 municipality may include in any contract for financial
12 assistance with the federal government for a metropolitan
13 redevelopment project conditions imposed pursuant to federal
14 law [~~which~~] that the municipality may deem reasonable or
15 appropriate and [~~which~~] that are not inconsistent with the
16 purposes of the Metropolitan Redevelopment Code;

17 F. within its area of operation, to make all plans
18 necessary for the carrying out of the purposes of the
19 Metropolitan Redevelopment Code and to contract with any
20 person, public or private, in making and carrying out such
21 plans and to adopt or approve, modify and amend the plans. The
22 plans may include without limitation:

23 (1) a general plan for redevelopment of the
24 metropolitan area as a whole;

25 (2) redevelopment plans for specific areas;

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1 (3) plans for programs of voluntary or assisted
2 repair and rehabilitation of buildings and improvements;

3 (4) plans for the enforcement of state and local
4 laws, codes and regulations relating to the use of land and the
5 use and occupancy of buildings and improvements and to the
6 compulsory repair, rehabilitation, demolition or removal of
7 buildings and improvements; and

8 (5) appraisals, title searches, surveys, studies
9 and other preliminary plans and work necessary to prepare for
10 the undertaking of metropolitan redevelopment projects.

11 The municipality is authorized to develop, test and report
12 methods and techniques and carry out demonstrations and other
13 activities for the prevention and elimination of [~~slums and~~
14 ~~urban blight~~] slum or blighted areas and to pay for, accept and
15 utilize grants of funds from the federal government for such
16 purposes;

17 G. to prepare plans for the relocation of families
18 displaced from a metropolitan redevelopment area to the extent
19 essential for acquiring possession of and clearing the area or
20 its parts or permit the carrying out of the metropolitan
21 redevelopment project;

22 H. to appropriate under existing authority the funds
23 and make expenditures necessary to carry out the purposes of
24 the Metropolitan Redevelopment Code and under existing
25 authority to levy taxes and assessments for such purposes; to

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1 close, vacate, plan or replan streets, roads, sidewalks, ways
2 or other places; in accordance with applicable law or
3 ordinances, to plan or replan, zone or rezone any part of the
4 municipality or make exceptions from building regulations; and
5 to enter into agreements with a metropolitan redevelopment
6 agency vested with metropolitan redevelopment project powers,
7 which agreements may extend over any period, notwithstanding
8 any provision or rule of law to the contrary, respecting action
9 to be taken by such municipality pursuant to any of the powers
10 granted by the Redevelopment Law;

11 I. within its area of operation, to organize,
12 coordinate and direct the administration of the provisions of
13 the Redevelopment Law as they apply to the municipality in
14 order that the objective of remedying slum [~~areas and~~] or
15 blighted areas and preventing the causes of [~~same~~] those areas
16 within the municipality may be most effectively promoted and
17 achieved and to establish any new office [~~or offices~~] of the
18 municipality or to reorganize existing offices as necessary;

19 J. to acquire real property, in addition to power
20 elsewhere conferred herein, [~~which~~] that is appropriate for the
21 preservation or restoration of historic sites; the
22 beautification of urban land; the [~~conservation~~] preservation
23 of open spaces, natural resources and scenic areas; the
24 provision of recreational opportunities; or is to be used for
25 public purposes;

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1 K. to engage in any or all of the following
2 activities as part of a metropolitan redevelopment project:

3 (1) acquisition, construction, reconstruction or
4 installation of public works, facilities and site or other
5 improvements, including but not limited to neighborhood
6 facilities, senior citizen centers, historic properties,
7 utilities, streets, street lights, water and sewer facilities,
8 including connections for residential users, foundations and
9 platforms for air-rights sites, pedestrian malls and walkways,
10 parks, playgrounds and other recreation facilities, flood and
11 drainage facilities, parking facilities, solid waste disposal
12 facilities and fire protection or health facilities which serve
13 designated areas;

14 (2) special projects directed to the removal of
15 materials and architectural barriers [~~which~~] that restrict the
16 mobility and accessibility of elderly and handicapped persons;

17 (3) provision of public services in the
18 metropolitan redevelopment area [~~which~~] that are not otherwise
19 available in the area, including but not limited to the
20 provisions of public services directed to the employment,
21 economic development, crime prevention, child care, health,
22 drug abuse, welfare or recreation needs of the people who
23 reside in the metropolitan redevelopment area;

24 (4) payment of the nonfederal share of any
25 federal grant-in-aid program to the municipality [~~which~~] that

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1 will be a part of a metropolitan redevelopment project;

2 (5) if federal funds are used in the project, to
3 provide for payment of relocation costs and assistance to
4 individuals, families, businesses, organizations and farm
5 operations displaced as a direct result of a metropolitan
6 redevelopment project in accordance with applicable law
7 governing such payment;

8 (6) payment of reasonable administrative costs
9 and carrying charges related to the planning and execution of
10 plans and projects;

11 (7) economic and marketing studies to determine
12 the economic condition of an area and to determine the
13 viability of certain economic ventures proposed for the
14 metropolitan redevelopment area;

15 (8) issuance of bonds, grants or loans as
16 authorized by the Metropolitan Redevelopment Code in accordance
17 with the requirements of that code; and

18 (9) grants to nonprofit corporations, local
19 development corporations or entities organized under Section
20 301 (d) of the federal Small Business Investment Act of 1958
21 for the purposes of carrying out the provisions of the
22 Metropolitan Redevelopment Code;

23 L. provided that all payments made by the
24 municipality or metropolitan redevelopment agency under the
25 terms of a contract for reconstruction or rehabilitation of

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1 private property shall be made from a special fund created for
2 that purpose and shall not be paid directly to ~~[such]~~ the
3 property owner but shall instead be paid to the contractor by
4 the municipality or agency from such fund upon proper
5 authorization of the property owner and notification that the
6 terms of the contract have been fulfilled. However, all such
7 rehabilitation contracts shall be between the property owner
8 and the contractor after a sealed bidding procedure and award
9 of contract approved by the municipality has taken place;

10 M. the municipality is empowered in a metropolitan
11 redevelopment project, rehabilitation ~~[or conservation]~~
12 undertaking or activity to exercise the following powers in one
13 or more metropolitan redevelopment areas to include the
14 elimination and prevention of the development or spread of
15 ~~[slums or blight]~~ slum or blighted areas and may involve slum
16 or blighted area clearance and redevelopment in any such area
17 or rehabilitation ~~[or conservation]~~ in any such area or any
18 combination or part thereof in accordance with a metropolitan
19 redevelopment area plan and for undertakings or activities of a
20 municipality in any metropolitan redevelopment area to
21 eliminate the conditions ~~[which]~~ that caused an area to be
22 designated such an area and may include any or all of the
23 following:

24 (1) acquisition of real property within the
25 metropolitan redevelopment area pursuant to any powers and for

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1 purposes enumerated in the Metropolitan Redevelopment Code;

2 (2) clearing the land, grading the land and
3 replatting the land in accordance with the metropolitan
4 redevelopment plan; installation, construction or
5 reconstruction of roads, streets, gutters, sidewalks, storm
6 drainage facilities, water lines or water supply installations,
7 sewer lines and sewage disposal installations, steam, gas and
8 electric lines and installations, airport facilities and
9 construction of any other needed public facilities or buildings
10 whether on or off the site if deemed necessary by the local
11 governing body to prepare the land in the metropolitan
12 redevelopment area for residential, commercial, industrial and
13 public use in accordance with the metropolitan redevelopment
14 plan; and

15 (3) making the land available for development by
16 private enterprise or public agencies, including sale, initial
17 leasing, leasing or retention by the municipality itself, at
18 its fair market value for uses in accordance with the
19 metropolitan redevelopment plan for the area;

20 N. the municipality is empowered in a metropolitan
21 redevelopment area to undertake slum or blighted area clearance
22 and redevelopment [~~which~~] that includes:

23 (1) acquisition of a slum [~~area~~] or [~~a~~] blighted
24 area or portion thereof;

25 (2) demolition and removal of buildings and

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1 improvements;

2 (3) installation, construction, reconstruction,
3 maintenance and operation of streets, utilities, storm drainage
4 facilities, curbs and gutters, parks, playgrounds, single- or
5 multi-family dwelling units, buildings, public buildings,
6 including but not limited to parking facilities, transportation
7 centers, safety buildings and other improvements, necessary for
8 carrying out in the area the provisions of an approved plan for
9 the area; and

10 (4) making the real property available for
11 development or redevelopment by private enterprise or public
12 agencies, including sale, leasing or retention by the
13 municipality itself, [~~as~~] at its fair value for uses in
14 accordance with the metropolitan redevelopment area plan; and

15 O. the municipality is empowered to engage in
16 rehabilitation [~~or conservation which~~] that includes the
17 restoration and renewal of a slum or blighted area or portion
18 thereof in accordance with any approved plan, by:

19 (1) carrying out plans for a program of
20 voluntary or compulsory repair and rehabilitation of buildings
21 or other improvements;

22 (2) acquisition of real property and demolition
23 or removal of buildings and improvements thereon where
24 necessary to eliminate unhealthful, [~~unsanitary~~] insanitary or
25 unsafe conditions, lessen or increase density, eliminate

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1 obsolete or other uses detrimental to the public welfare or to
2 otherwise remove or prevent the spread of [~~blight~~] slum or
3 blighted areas or deterioration or to provide land for needed
4 public facilities;

5 (3) installation, construction or reconstruction
6 of streets, utilities, parks, playgrounds and other
7 improvements necessary for carrying out in the area the
8 provisions of the Metropolitan Redevelopment Code;

9 (4) the disposition of any property acquired in
10 such an area, including sale, leasing or retention by the
11 municipality itself, for uses in accordance with such an
12 approved plan;

13 (5) acquisition of real property in the area
14 [~~which~~] that, under a metropolitan redevelopment plan, is to be
15 repaired or rehabilitated;

16 (6) repair or rehabilitation of structures
17 within the area;

18 (7) power to resell repaired or rehabilitated
19 property;

20 (8) acquisition, without regard to any
21 requirement that the area be a slum [~~or~~] and blighted area, of
22 air-rights in an area consisting principally of land on which
23 is located a highway, railway, bridge or subway tracks or
24 tunnel entrance or other similar facilities [~~which~~] that have a
25 [~~blighting~~] negative influence on the surrounding area and over

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1 which air-rights sites are to be developed for the elimination
2 of such [~~blighting~~] negative influences; and

3 (9) making loans or grants or authorizing the
4 use of the proceeds of bonds issued pursuant to the
5 Metropolitan Redevelopment Code for the purpose of repairing,
6 remodeling, modifying or otherwise reconstructing a building
7 [~~or buildings~~] located in the metropolitan redevelopment area.
8 Such rehabilitation [~~or conservation~~] with use of funds
9 expended by authority of the Metropolitan Redevelopment Code or
10 by metropolitan revenue bonds authorized by that code shall be
11 authorized only after approval by the local governing body and
12 after it has been determined that such expenditure is in
13 accordance with the metropolitan redevelopment plan for that
14 area."

15 Section 7. Section 3-60A-11 NMSA 1978 (being Laws 1979,
16 Chapter 391, Section 11, as amended) is amended to read:

17 "3-60A-11. ACQUISITION REQUIREMENT--EMINENT DOMAIN.--

18 A. Whenever acquisition of a fee simple interest in
19 real property is considered pursuant to a metropolitan
20 redevelopment plan involving a slum or blighted area, prior to
21 the initiation of a condemnation action pursuant to Subsection
22 C of this section, and subject to Subsection B of this section,
23 the following shall apply:

24 (1) the municipality shall make an offer of just
25 compensation to a landowner to acquire a fee simple interest in

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1 real property in an amount of money equaling the appraised
2 value plus an additional amount of money that represents:

3 (a) an incentive to the landowner to
4 negotiate the acquisition in order to avoid further acquisition
5 costs and the costs of condemnation litigation; and

6 (b) the value of the municipality's entry
7 onto the real property to conduct appraisals and suitability
8 studies and the resulting interference with the owner's use and
9 possession of the property as provided in Section 42A-1-12 NMSA
10 1978;

11 (2) the additional amount required in Paragraph
12 (1) of this subsection shall be ten percent of the appraised
13 value;

14 (3) if the property owner desires another
15 appraisal before deciding whether or not to accept the
16 municipality's offer of just compensation, the municipality
17 shall pay for, but have no substantive control over, an
18 appraisal conducted by a third appraiser agreed upon by an
19 appraiser representing the municipality and an appraiser
20 representing the property owner. The municipality may
21 establish a reasonable deadline for the delivery of the third
22 appraiser's appraisal. The municipality shall revise its offer
23 to the property owner to include the appraised value determined
24 by the third appraiser unless that value is less than the
25 initial offer;

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1 (4) if the metropolitan redevelopment plan
2 includes provision for private interests in a metropolitan
3 redevelopment project and the property owner rejects the offer
4 of an amount of money equal to the appraised value plus an
5 additional amount as provided in Paragraph (1) of this
6 subsection as just compensation for the acquisition of
7 property, the municipality may offer to the owner a
8 participatory interest in the project equal to the percentage
9 of the appraised value of the owner's property to the total
10 appraised value of all property in the project. As used in
11 this paragraph, "participatory interest" includes all the
12 rights, duties and obligations of the owner of the project,
13 including the right to transfer the interest to a third party.

14 B. Whenever the acquisition of property pursuant to
15 Subsection A of this section involves real property and
16 improvements that have been owned within the same family for
17 ten or more years and the property and improvements are the
18 owner's principal place of residence:

19 (1) the additional amount described in Paragraph
20 (2) of Subsection A of this section shall be twenty percent.
21 For the purpose of this subsection, "within the same family"
22 means the transfer of real property from or to a parent,
23 spouse, child, stepchild, grandchild, grandparent, sibling,
24 uncle, aunt, niece, nephew or cousin related by blood, marriage
25 or legal process; or

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1 (2) the owner may decline the offer and the real
2 property shall not be acquired either by negotiation or by
3 condemnation.

4 C. Subject to Subsection D of this section, a
5 municipality [~~shall have the right to~~] may acquire by
6 condemnation any interest in real property, including a fee
7 simple [~~title thereto, which~~] interest that it may deem
8 necessary for or in connection with a metropolitan
9 redevelopment project under the Redevelopment Law. Subject to
10 the provisions of this section, a municipality may exercise the
11 power of eminent domain in the manner provided by the Eminent
12 Domain Code or, when found appropriate by the local governing
13 body, the special alternative procedure for condemnation of
14 property as provided by Sections 42-2-1 through 42-2-24 NMSA
15 1978. Property already devoted to a public use may be acquired
16 in like manner. However, no real property belonging to the
17 state or any political subdivision thereof may be acquired
18 without its consent unless in a manner authorized by law.

19 D. A municipality authorized to condemn real property
20 pursuant to the Metropolitan Redevelopment Code shall not
21 condemn private property for economic development purposes,
22 except for the eradication of a slum or blighted area after the
23 municipality has examined all reasonable alternatives to
24 condemnation and has determined that condemnation is the action
25 of last resort. The determination to proceed with condemnation

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1 shall be made by a two-thirds' vote of all members of the
2 governing body in an open meeting.

3 E. A court may award a property owner litigation
4 expenses, as that term is defined in the Eminent Domain Code,
5 if the award of just compensation in a condemnation proceeding
6 is greater than the offer of just compensation made pursuant to
7 Paragraphs (1) through (3) of Subsection A of this section or
8 greater than an offer of judgment made by the municipality
9 during the condemnation proceeding."

10 Section 8. Section 3-60A-12 NMSA 1978 (being Laws 1979,
11 Chapter 391, Section 12) is amended to read:

12 "3-60A-12. DISPOSAL OF PROPERTY.--

13 A. A municipality may sell, lease or otherwise
14 transfer real property or any interest [~~therein~~] in real
15 property acquired by it in a metropolitan redevelopment area
16 and may enter into contracts with respect [~~thereto~~] to the real
17 property for residential, commercial, industrial or other uses
18 or for public use or may retain such property or interest for
19 public use in accordance with the metropolitan redevelopment
20 plan, subject to any covenants, conditions and restrictions,
21 including covenants running with the land and including the
22 incorporation by reference [~~therein~~] in the covenants of the
23 provisions of a metropolitan redevelopment plan or any part
24 thereof, as it may deem to be in the public interest or
25 necessary to carry out the purposes of the metropolitan

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1 redevelopment plan. The purchasers or lessees and their
2 successors and assigns shall be obligated to devote the real
3 property only to the uses specified in the metropolitan
4 redevelopment plan for a period of years as set out in the sale
5 or lease agreement and may be obligated to comply with other
6 requirements ~~[which]~~ that the municipality may determine to be
7 in the public interest, including the obligation to begin
8 within a reasonable time any improvements on real property
9 required by the metropolitan redevelopment plan. The real
10 property or interest shall be sold, leased, otherwise
11 transferred or retained at not less than its fair value for
12 uses in accordance with the Redevelopment Law as determined by
13 the governing body of the municipality or by the metropolitan
14 redevelopment agency, if so authorized. In determining the
15 fair value of real property for uses in accordance with the
16 metropolitan redevelopment plan, a municipality shall take into
17 account and give consideration to the uses provided in the
18 plan, the restrictions upon and the covenants, conditions and
19 obligations assumed by the purchaser or lessee or by the
20 municipality retaining the property and the objectives of the
21 plan for the prevention of and recurrence of slum or blighted
22 areas. The municipality in any instrument of conveyance to a
23 private purchaser or lessee may provide that the purchaser or
24 lessee shall be without power to sell, lease or otherwise
25 transfer the real property without the prior written consent of

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1 the municipality until ~~[he]~~ the purchaser or lessee has
2 completed the construction of any and all improvements ~~[which~~
3 ~~he has]~~ that the purchaser or lessee is obligated ~~[himself]~~ to
4 construct ~~[thereon]~~ on the real property. Real property
5 acquired by a municipality ~~[which]~~ that, in accordance with the
6 provisions of the metropolitan redevelopment plan, is to be
7 transferred shall be transferred consistent with the carrying
8 out of the provisions of the plan. The inclusion in any
9 contract or conveyance to a purchaser or lessee of covenants,
10 restrictions or conditions, including the incorporation by
11 reference ~~[therein]~~ in the covenants of the provisions of a
12 metropolitan redevelopment plan or any part thereof, shall not
13 prevent the filing of the contract or conveyance in the land
14 records of the county in a manner as to afford actual or
15 constructive notice thereof.

16 B. A municipality may dispose of real property in a
17 metropolitan redevelopment area to private persons only in
18 accordance with the procedures set out in this subsection. The
19 municipality shall, prior to entering into any agreement to
20 convey title or an interest in real property, publish a public
21 notice once each week for at least two consecutive weeks of the
22 date, time and place it will receive proposals for the
23 purchase, lease or rental, for development or redevelopment
24 purposes, of the real property or interest ~~[therein]~~ in the
25 real property it intends to dispose of. The public notice

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1 shall contain sufficient information to describe the location
2 of the real property, the type of development sought or land
3 use requirement and the selection criteria the municipality
4 will follow during review of proposals and shall state that
5 details may be obtained at the office designated in the notice.
6 The municipality shall consider all proposals submitted in
7 accordance with the public notice and shall only accept
8 proposals it deems in the public interest and meeting the
9 objectives of the metropolitan redevelopment plan after
10 considering the type of development, redevelopment or use
11 proposed and the financial ability of the persons making [~~such~~]
12 the proposals to carry them out.

13 C. If after following the procedures set out in
14 Subsection B of this section a municipality receives no
15 proposals or determines the ones received are not in accordance
16 with the call for proposals or do not meet the objectives of
17 the Metropolitan Redevelopment Code, the municipality may
18 reject any proposals received and then dispose of [~~such~~] the
19 real property through reasonable negotiating procedures;
20 provided, however, that negotiated sales, leases or transfers
21 must be reported to the local governing body and approved by
22 that body before [~~such~~] the sale, lease or transfer may take
23 effect.

24 D. A municipality may operate and maintain real
25 property acquired in a metropolitan redevelopment area pending

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1 the disposition of the property for development or
2 redevelopment without regard to the provisions of Subsection A
3 of this section for any uses and purposes deemed desirable even
4 though not in conformity with the Redevelopment Law."

5 Section 9. Section 3-60A-15 NMSA 1978 (being Laws 1979,
6 Chapter 391, Section 15) is amended to read:

7 "3-60A-15. EXERCISE OF POWERS IN CARRYING OUT PROJECTS.--

8 A. The local governing body may directly exercise its
9 metropolitan redevelopment project powers or it may, by
10 ordinance if it determines such action to be in the public
11 interest, elect to delegate the exercise of such powers to the
12 metropolitan redevelopment agency created pursuant to the
13 Redevelopment Law. If the local governing body so determines,
14 the agency shall be vested with all of the powers in the same
15 manner as though all the powers were conferred on the agency or
16 authority instead of the municipality.

17 B. As used in this section, the term "redevelopment
18 project powers" includes any rights, powers, functions and
19 duties of a municipality authorized by the Redevelopment Law
20 except the following, which are reserved [~~to~~] for the local
21 governing body to have the power to:

22 (1) declare an area to be a slum or [~~a~~] blighted
23 area [~~or combination thereof~~] and to designate the area as
24 appropriate for a redevelopment project;

25 (2) approve or amend redevelopment plans;

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1 (3) approve a general plan for the municipality
2 as a whole;

3 (4) make findings of necessity prior to
4 preparation of a metropolitan redevelopment plan as provided in
5 the Redevelopment Law and the findings and determinations
6 required prior to approval of a metropolitan redevelopment plan
7 or project as provided in the Redevelopment Law;

8 (5) issue general obligation bonds and revenue
9 bonds authorized in the Municipal Code;

10 (6) approve loans or grants;

11 (7) approve leases of more than one year's
12 duration;

13 (8) issue municipal redevelopment bonds;

14 (9) appropriate funds [~~to~~] and levy taxes and
15 assessments; and

16 (10) exercise the power of eminent domain."

17 Section 10. REPEAL.--Sections 3-46-1 through 3-46-45,
18 3-60-1 through 3-60-37 and 3-60A-6 NMSA 1978 (being Laws 1965,
19 Chapter 300, Section 14-47-1, Laws 1971, Chapter 200, Section
20 2, Laws 1969, Chapter 221, Sections 1 through 20, Laws 1971,
21 Chapter 200, Sections 5 through 7, Laws 1965, Chapter 300,
22 Sections 14-47-3 through 14-47-9, Laws 1969, Chapter 279,
23 Section 1, Laws 1965, Chapter 300, Sections 14-47-10 through
24 14-47-19, Laws 1971, Chapter 200, Section 22, Laws 1975,
25 Chapter 333, Section 2, Laws 1975, Chapter 341, Sections 1

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1 through 37 and Laws 1979, Chapter 391, Section 6, as amended)
2 are repealed.

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